

FEE/DEPOSIT SCHEDULES FOR

Development & Policy Approvals/Permits

City of San Diego Development Services Department INFORMATION BULLETIN

503

July 2019

This Information Bulletin lists fees and deposits for discretionary and policy approvals. Fees related to discretionary actions for Wireless Communication Facilities are contained in Information Bulletin 536, Submittal Requirements and Procedures for Wireless Communication Facilities. For project submittal requirements, see Land Development Manual Project Submittal Requirements, Sections 4.5 and 6.

I. PLAN REVIEW—FLAT FEES

Table 503A/Flat Fee Worksheet identifies the discretionary permit applications that require a flat fee for the public noticing, plan review, Environmental Initial Study and public hearing process (except appeals). When the discretionary action includes other approval types that require a deposit account for plan review, the entire project will be reviewed using a deposit account (see Section II below). Note: If the project and/ or the environmental determination of a flat fee project are appealed, a \$2,000 deposit will be required to continue processing the project to a final decision.

- A. Environmental Initial Study Flat Fee Exception. If the Environmental Initial Study is extended due to staff requests for additional information, the extended Initial Study fee will be required at the time of resubmittal. If the Initial Study or the extended Initial Study result in any environmental determination other than an exemption (e.g. Negative Declaration, Mitigated Negative Declaration), a \$2,000 deposit account will then be required to continue processing of the project to a final decision.
- **B. Historic Review.** If the flat fee project requires historic review, a fee of \$187.96 per hour of review time is charged for the Designated Historical Resource Review or Potential Historical Resource Review. A minimum of one hour is collected at the time of initial submittal. Staff may charge additional hours during review and issue a supplemental invoice as necessary.

Documents referenced in this Information Bulletin

- Project Submittal Manual
- <u>Information Bulletin 500</u>, Substantial Conformance Review
- <u>Information Bulletin 513</u>, Preliminary Review
- Information 538, Expedite Program for Affordable, In-Fill Housing and Sustainable Buildings
- Deposit Account/Financially Responsible Party, <u>DS-3242</u>
- <u>Time and Costs Associated with Discretionary Approval Process</u>
- Information Bulletin 536, Submittal Requirements and Procedures for Wireless Commu-

II. PLAN REVIEW—DEPOSIT ACCOUNTS Table 503B/Deposit Account Worksheet identifies the discretionary applications that require a deposit for the public noticing, plan review, California Environmental Quality Act (CEQA) review, and public hearing process. Where multiple permits/approvals are requested (e.g., Coastal Development Permit with a Site Development Permit), the deposit amounts for each permit/approval type are added together and that amount is required at the time of submittal for completeness review.

A Trust Fund account is established with an initial deposit which is drawn against to pay for the review of your project. The Financially Responsible Party (as identified on the Deposit Account/Financially Responsible Party form, DS -3242) will receive a monthly deposit statement reflecting the charges made against the account. The Financially Responsible party may receive invoices for additional deposits for subsequent reviews of the project in order to maintain the subsequent minimum balance. The payment of this invoice will be required in order to continue processing your project. At the end of the project, any remaining funds will be returned to the Financially Responsible Party.

Please note that the initial deposit requirements frequently do not cover all of

the processing costs, and that applicants are responsible for all of the costs associated with the processing of their discretionary approval. For further information regarding time and costs associated with discretionary approval process, please see the "Time and Costs Associated with Discretionary Approval Process" portion at the end of this bulletin.

III. ADMINISTRATIVE FEES

The following Administrative Fees apply to all projects and shall be paid at the time plans are submitted to the Development Services Department (DSD) for review, unless otherwise indicated below. These fees are in addition to the plan review fee or deposit required for the processing of the project.

A. Mapping Fee

This fee is charged at submittal when there are plans, drawings, maps or other geographical documents utilized for project review.

Mapping Fee.....\$10.00

B. Discretionary Project Close Out Fee

This fee is charged at submittal to pay for permit recordation and project closeout after final decision or appeal is completed.

Discretionary Project Close Out Fee.....\$678.59

C. Records Fee

This fee is assessed for all projects prior to final approval to recover the cost of imaging and archiving the documents in Records.

Less than 75 pages	\$90.00
76 to 1,000 pages	\$515.00
Each additional 500 pages over 1,000	\$250.00

IV. OPTIONAL SERVICES

A. Affordable, Infill Housing & Sustainable Building Expedite Program

This program provides expedited Development Permit & Policy Approval processing for all eligible affordable, in-fill housing and sustainable building projects. Information Bulletin 538, "Expedite Program for Affordable, In-Fill Housing and Sustainable Buildings" describes the minimum submittal requirements and procedures associated with this program.

Residential Projects\$622.45 per unit

Commercial/Industrial Projects:

0-1,000 sq. ft	\$1,098.44
1,001-5,000 sq. ft	\$1,098.44 + 9.16/each add'l 100 s.f.
5,001-20,000 sq. ft	\$1,464.84 + 7.33/each add'l 100 s.f.
20,001+ sq. ft	\$2,564.34 + 3.66/each add'l 100 s.f.

This fee is capped so it will not exceed 40 percent of the actual staff hourly billing as determined at project closeout. Maximum Fee is \$49,796.00.

B. Substantial Conformance Review

Substantial Conformance Review (SCR) is generally a voluntary service available to customers who are proposing to modify their project after a discretionary permit has been approved by the City. This service is offered to allow customers to provide only the information needed to make a conformance determination, without having to go to the expense of preparing complete construction documents. The process does not include a review for conformance with other City regulations, comply, on the minimum submittal requirements, fees and procedures associated with this service.

C. Preliminary Review

This service helps obtain the answers that you need to determine the feasibility of your development project and to be successful in submitting the project for review. Through preliminary review, you can obtain general information on the regulations with which your project must comply, find out which permits you must obtain, the review process that applies to your development, and obtain interpretations on how the City will apply code provisions to specific situations. Information Bulletin 513, "Preliminary Review" describes the minimum submittal requirements, fees and procedures associated with this service.

D. Mills Act

This program includes the following fees to recover the costs of staff time devoted to the task specifically related to historic designation of individual properties and all components of the Mills Act Program.

Historic designation process	\$1,185
Mills Act Program agreement	\$ 471
Monitoring the Act Program agreement	\$ 234
Enforcement of Mills Act agreement	\$ 756

FEE TYPE	FEE	TOTAL FEE
ADMINISTRATIVE FEES		
Discretionary Project Closeout Mapping	\$678.59	\$678.59
Mapping	\$10.00	\$10.00
SUBTOTAL ADMIN	ISTRATIVE FEES	\$688.59
APPROVAL TYPE (choose one*) Emergency Coastal Development Permit and/or Site Development Permit		
Coastal Development Permit-Single Dwelling Unit/Companion Units (Process 2 Decisions Only)	\$14,661.71	
Coastal Development Permit/Map Waiver—Condominium Creation	\$10,698.79	
Coastal Development Permit/Map Waiver—Condominium Conversion	\$11,826.52	
Easement Vacation (Process 2)	\$7,896.55	
Extension of Time—Development Permits	\$7,431.55	
Map Waiver—Condominium Conversion	\$11,061.28	
Map Waiver—Condominium Creation	\$9,927.44	
Map Waiver —Stand Alone	\$5,600.21	
Neighborhood Development Permit	\$8,960.34	
Neighborhood Use Permit (not Sidewalk Café)	\$5,600.21	
Neighborhood Use Permit for Sidewalk Cafè	\$6,511.30	
Surface Mining & Reclamation Act Compliance	\$2,240.08	
Tentative Map/Vesting Tentative Map—Stand Alone	\$11,200.42	
Variance	\$8,960.34	
*Note: Projects including more than one of the above approval types will recaccount per Table 503B	quire a deposit	
SUBTOTAL PL	\$	
ENVIRONMENTAL EXEMPTION		1
Environmental Initial Study/Exemption		\$1,170.45
Environmental Initial Study Extended/Exemption (collected if Initial Study is extended)		\$2,340.89
SUBTOTAL ENVIRONMENTAL E	\$1,170.45	
TOTAL FEES DUE AT PROJEC	\$	

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TABLE 503B/DEPOSIT ACCOUNT WORKSHEET

FEE/DEPOSIT TYPE	FEE	INITIAL DEPOSIT	SUBSEQUENT REVIEW AND MINIMUM BALANCE	TOTAL FEE/ DEPOSIT
ADMINISTRATIVE FEES				
Discretionary Project Closeout	\$678.59	n/a	n/a	\$678.59
Mapping	\$10.00	n/a	n/a	\$10.00
	SUBTOTAL ADMINISTRATIVE FEES			\$688.59
APPROVAL TYPE(S) (choose all that apply)				
Amendment to Prior Discretionary Permit	n/a	Same as permit/approval		
Coastal Development Permit	n/a	\$8,000.00	\$5,000.00	
Conditional Use Permit	n/a	\$8,000.00	\$5,000.00	
Development Agreement	n/a	\$10,000.00	\$8,000.00	
Easement Vacation	n/a	\$6,200.00	\$3,700.00	
Land Use Plan (new or amendment)	n/a	\$12,000.00	\$8,000.00	
Local Coastal Program (new or amendment)	n/a	\$10,000.00	\$8,000.00	
Map Waiver	n/a	\$5,000.00	\$3,000.00	
Neighborhood Development Permit	n/a	\$8,000.00	\$5,000.00	
Neighborhood Use Permit	n/a	\$5,000.00	\$3,000.00	
Planned Development Permit	n/a	\$10,000.00	\$8,000.00	
Public Right of Way Vacation	n/a	\$6,200.00	\$3,700.00	
Rezone	n/a	\$12,000.00	\$8,000.00	
Site Development Permit	n/a	\$8,000.00	\$5,000.00	
Street Name Change (Process 5)	n/a	\$2,500.00	\$1,200.00	
Tentative Map/Vesting Tentative Map	n/a	\$10,000.00	\$8,000.00	
Variance	n/a	\$8,000.00	\$5,000.00	
SUBTOTAL APPROVAL DEPOSIT				
TOTAL FEES/DEPOSITS DUE AT PROJECT SUBMITTAL				

TIME AND COSTS ASSOCIATED WITH DISCRETIONARY APPROVAL PROCESS FREQUENTLY ASKED QUESTIONS

The purpose of this Frequently Asked Questions section is to notify and disclose to all prospective applicants the time, costs and risks inherent within the discretionary approval process. Time and cost are typically two of the most important considerations applicants requesting a for discretionary development approval. Interviews with applicants who have experienced the process frequently mention that had they known the time and costs involved in advance, they might have made a different decision regarding their project. The information contained here (regarding time, costs, and risks) is also intended to assist prospective applicants to formulate a successful business plan for their development project.

I. HOW LONG WILL IT TAKE TO PROCESS MY DISCRETIONARY APPROVAL?

Development Services Department processes a wide variety of discretionary approvals as applicants look to change land use entitlements. Approvals include everything from small single-family home additions to master planned communities of several hundred acres. There is no reliable way to forecast exactly how long an application will take to process as time frames vary dependent upon a large number of unpredictable factors such as project complexity, quality of information received, and demand set by market conditions. However on average, discretionary approvals require 10-12 months to process. Simple small-scale projects with no environmental or land use issues, positive community support, and a responsive applicant can be processed in as little as 2-4 months; on the other hand, projects with significant environmental impacts, land use issues, neighborhood opposition, and/or a non -responsive applicant or consultant team can take multiple years to complete.

II. HOW MUCH WILL IT COST TO PROCESS MY DISCRETIONARY APPROVAL?

Although simple small scale projects that require minimal staff review can be

processed for just a few thousand dollars, very large, complex and/or controversial projects that take multiple years to process can expend hundreds of thousands of dollars in review and approval costs.

III. WHY ARE THE REVIEWS SO EXTENSIVE?

All development (small and large) in San Diego is subject to a wide variety of land use and environmental regulations pursuant to local, state, and federal law including but not limited to the following: California Environmental Quality Act; California State Map Act; California Coastal Act; San Diego Municipal Code; San Diego General Plan; over 40 Community Plans and many Planned Districts; Community Plan Implementation Overlay Zones, a variety of local coastal programs; Airport Land Use Compatibility Federal plans; Aviation Administration regulations Regional Water Quality Control Board requirements for storm water and more. The San Diego Municipal Code by itself includes development codes which regulate almost every aspect of land development including but not limited to size, height, bulk, scale, coverage, floor area, setbacks, parking, traffic, landscaping, brush management, environmentally sensitive lands, historic resources, water quality, drainage, waste water, erosion control, geology, aesthetics, greenhouse gas emissions, water The Development Services availability. Department is continuously under intense scrutiny from a wide variety of Federal, State, community and professional organizations, as well as the media and legal community, and is the lead agency responsible for regulating land use and applying these complex regulations to every development application. In order to ensure thorough, effective, and legal implementation of these regulations, a wide variety of City staff are required to participate in the review of all discretionary approvals. Because almost all of the processing costs associated with discretionary approvals are City staff labor

charges, and due to the fact that as a general rule San Diego maintains a highly regulated land use environment, most discretionary projects take longer and cost significantly more money than applicants would expect. In addition to the high level of land use regulation in San Diego, there are a number of other factors which can also contribute to increased project costs and project delays including but not limited to the following:

- A. The property's physical characteristics: If the property contains certain physical or environmental characteristics constraints such as steep slopes, sensitive biology, wetlands, historicity, particular geologic formations, paleontological or archaeological resources, is located in the Coastal Zone or near an airport, has contaminated soils, or other constraining factors, a higher level of staff analysis and longer review periods can result. addition, these site characteristics can require the preparation of additional technical studies that staff must review and validate.
- **B.** The project's design and/or physical characteristics and impacts: If the project due to its density, intensity, height, size and/or use, could generate significant impacts (i.e. traffic, grading, noise, environmentally sensitive resources, coastal resources, public view blockage, community character, public facility impacts), a higher level of staff analysis and longer review periods can result.
- **C.** Community and/or neighborhood If a project generates opposition: opposition from the community or neighborhood, significant delays may occur particularly because the discretionary approval process includes an appeal component which allows any interested person to protest your project by filing an appeal. Prior to scheduling the appeal hearing, City staff is required to analyze and prepare detailed written responses to each and every appeal issue. Appeals require the project to undergo at least one additional public hearing, and in

- some cases can require two or more additional public hearings. In certain areas along the coast the project may also be subject to appeal to the California Coastal Commission. Appeals in some cases can generate twice the expense and double the amount of time required to obtain a discretionary approval. The cost of the appeal process is borne by the project applicant, not the appellant.
- **D.** Inexperienced and/or unresponsive applicant and/or consultant team: Due to complexities inherent in discretionary approval process, a majority of applicants choose to hire a consulting team to process their applications. In many cases, more than half of the processing time can be attributed to factors under the applicants/consultants control. Most consultants have a variety of other work projects and priorities, which oftentimes result in extended periods of time between submittals to the City for review. City staff cannot control the amount of time that the consultant may take to respond to staff comments. In addition, applicants or consultants who are inexperienced or unfamiliar with the development process, or who consistently fail to adequately resolve identified issues or fulfill other processing requirements, can significantly increase the time and costs associated with their discretionary approval.
- **E.** City staff: In a large metropolitan area like the City of San Diego, the volume of work and complexity of issues demand high quality service and attention by City staff. To assist with reminding staff of this exceptional service, DSD developed a mission statement to recognize the provision of anything but excellent customer service. As can be expected with human nature, there may be instances where City staff inadvertently be responsible for mistakes, errors in judgment, or fail to provide timely service. In order to eliminate project delays and the increased costs

that typically result, it is important for the applicant to let the department become aware when they experience this type of staff behavior. A process of identifying, and addressing correcting behaviors is considered through DSD's "Customer Bill of Rights". This document provides all applicants with a number of IV. guarantees including but not limited to the following: all customers have the right to seek a second opinion; all customers have the right to an estimate of costs and approximate time frames; all customers have the right to itemization of charges and accountability for those charges.

- **F.** Failure to maintain a positive deposit account balance: All discretionary approvals require applicants to deposit funds into a trust fund account to pay for the cost of City staff review and all other project charges. As City staff expends time reviewing the project, the initial amount is drawn deposit Applicants are required to maintain a positive minimum balance within that deposit account, and when the balance goes into deficit, City staff are not allowed to work on the project resulting in project delays.
- **G.** Failure to diligently process: Municipal Code Section 126.0114 requires that a development permit application be closed if the applicant fails to submit or resubmit requested materials, information, fees, or deposits within 90 calendar days. Failure to diligently pursue the processing of permits typically results in further (and often times unavoidable) project delays and additional costs. The longer the delays and period of time a permit is in process, the higher the likelihood that project will be affected by factors beyond the control of either the City or the applicant, including but not limited to the following: Changes in Federal or State law; Revisions to the General Plan and/or relevant Community Plan; Changes in the City's Land Development Code; The

adoption of Citywide restrictions or moratoriums affecting development; The discovery of new environmental issues affecting development; and Staff attrition resulting in new staff being assigned to the project.

IV. HOW SHALL I PAY FOR MY DISCRETIONARY APPROVAL, AND HOW CAN I MONITOR THE COSTS?

Applicants are responsible for all costs associated with the processing of their discretionary approval. When a trust fund deposit account is established for your discretionary project, funds from the applicant's deposit account are used to pay all City staff labor charges associated with project review. As the initial deposit is drawn down, applicants will be required to deposit additional funds to maintain a minimum balance. In terms of monitoring your project costs with DSD, the applicant's assigned financially responsible party will receive a monthly Deposit Account Statement. This statement displays all project charges that occurred during the previous month, and includes the name of the City staff person who worked on the project, the general tasks completed by that staff person, the total number of hours expended, and the total dollar amount charged against the account. The top of each statement includes the amount due (if any), with instructions to submit additional funds in a timely manner in order to ensure the continuation of project processing. Payments may be made online via Open DSD by check or credit card, or payments may be made to the cashier at the DSD building.

Several new discretionary flat fees listed in this bulletin went into effect October 1, 2016, and they do not require a deposit account but instead a flat fee is charged, and the number of review cycles are limited. Once the maximum reviews have been completed on a flat fee project, the remainder of the charges will be hourly and billed monthly to the applicant.

V. WHAT HAPPENS WHEN MY DEPOSIT ACCOUNT BALANCE GOES INTO DEFICIT?

If the applicant fails to respond to the deposit account statement's request for additional funds in a timely manner (90 days), the project will be closed and the account will be referred to collections.

VI. WHAT IF I DON'T AGREE WITH THE PROJECT CHARGES?

If the applicant fails to respond to the deposit account statement's request for additional funds in a timely manner (90 days), the project will be closed and the account will be referred to collections.

VII. WILL MY DISCRETIONARY APPLICATION ULTIMATELY BE APPROVED?

There is no guarantee that your discretionary application will be approved. Approvals are granted at the discretion of a decision maker. As outlined in the San Diego Municipal Code, there are four separate City (discretionary) decision makers including: City Staff (Process 2); Hearing Officer (Process 3); Planning Commission (Process 4); and City Council (Process 5). The decision maker must make certain findings of fact and may exercise their professional judgment and discretion in granting approval of the project. A public hearing is required for most discretionary approvals. At the public hearing the decision IX. maker considers all factors prior to approving or denying a permit, including but not limited to the following questions as they relate to the required findings and adequacy of the environmental document:

"Does the permit meet all of the development regulations pursuant to the Municipal Code? Is the project consistent with the City's General Plan and Community Plan? Are all environmental impacts mitigated? Does the local community planning group support the project? Is there any neighborhood opposition to the project? Is the project beneficial to the community?"

VIII. WHAT WILL HAPPEN IF I REFUSE TO PAY A PROJECT DEPOSIT ACCOUNT DEFICIT?

If an applicant fails to resolve the deposit account deficit balance in a timely manner,

all City staff processing of the application will be suspended until such time as the requested funds are received by the City. Municipal Code Section 126.0114 requires that a development approval application be closed if the applicant fails to submit or resubmit requested materials, information, fees, or deposits within 90 calendar days. Therefore, failure to respond to requests for payment within 90 days could result in closure of the project. In addition, projects that maintain a deficit balance for more than 90 days will be referred to the Office of the Treasurer's Delinguent Accounts City Program. Delinquent Accounts The Program's objective is to help applicants resolve their financial obligations as quickly and painlessly as possible by utilizing a variety of collection efforts. Applicants who continue to delay resolving the delinquent account with the Treasurer's Office could become subject to a number of collection effort consequences including but not limited to the following: Penalties and interest for late payers; Collection letters and telephone calls; Credit reporting; Liens on property; Interception of State Income tax refund and or lottery winnings; Litigation/ Legal action; Treble damages, court costs, service of process fees and or attorney fees.

IX. WHY DO I HAVE TO PAY FOR THE PROCESSING OF MY APPROVAL?

The Development Services Department is operated without any City General Fund subsidy, and must generate its own revenue through an Enterprise Fund. Enterprise Fund was established in 1985 to ensure full cost recovery for all services related to processing land development applications. DSD's customers, therefore, pay for the Department's operating costs similar to most businesses. Full cost recovery is supported by the California Government Code and the City's Municipal Code, and ensures that the fees charged shall not exceed the estimated reasonable cost of providing the service. The level of service the Department is able to provide is directly related to the fees charged.